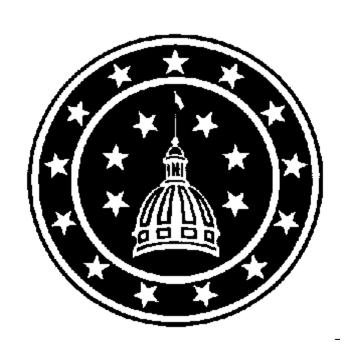
STATUS REPORT OF THE INDIANA COMMISSION ON MENTAL HEALTH



Indiana Legislative Services Agency 200 W. Washington St., Suite 301 Indianapolis, Indiana 46204-2789

November 2001

INDIANA LEGISLATIVE COUNCIL 2001

Senator Robert Garton Speaker John Gregg

Chairman Vice-Chairman

Columbus Sandborn

Senator Richard Young Representative Brian Bosma

Milltown Indianapolis

Senator Harold Wheeler Representative Mark Kruzan

Larwill Bloomington

Senator Joseph Harrison Representative Dale Grubb

Attica Covington

Senator Patricia Miller Representative William Cochran

Indianapolis New Albany

Senator Thomas Wyss Representative Charlie Brown

Fort Wayne Gary

Senator James Lewis Representative Kathy Richardson

Charlestown Noblesville

Senator Earline Rogers Representative Richard Mangus

Gary Lakeville

Philip J. Sachtleben Executive Director Legislative Services Agency

Indiana Commission on Mental Health

Membership Roster

<u>Senators</u> <u>Representatives</u>

Steven Johnson, Chair Susan Crosby Kokomo Roachdale

Mark Blade Gloria Goeglein
Terre Haute Fort Wayne

Lay Members

Robert Bonner Jerri Lerch

Indianapolis Fort Wayne

Dr. David Giles Janet Marich

Indianapolis Munster

Galen Goode Stephen Spindler

Terre Haute Albion

Gloria Kardee Judith Tilton

Indianapolis Indianapolis

Legislative Services Agency Staff

Kathy Norris, Fiscal Analyst Steven Wenning, Staff Attorney

A copy of this report is available on the Internet. Reports, minutes, and notices are organized by committee. This report and other documents for this Commission can be accessed from the General Assembly Homepage at http://www.state.in.us/legislative/.

STATUS REPORT

Indiana Commission on Mental Health

I. STATUTORY DIRECTIVE

The Indiana General Assembly enacted P.L.37-1998 directing the Commission to do the following:

- (1) Monitor the implementation of managed care programs for all populations of the mentally ill that are eligible for care that is paid for in part or in whole by the state.
- (2) Make recommendations regarding the Commission's findings under (1) to the Division of Mental Health.

II. INTRODUCTION AND REASONS FOR STUDY

The creation of the Commission on Mental Health in P.L.40-1994 was in response to the Division of Mental Health's development of a network of managed care providers required to provide access to a continuum of care in appropriate settings that are the least restrictive for the individuals who qualify for the services.

III. SUMMARY OF WORK PROGRAM

The Commission met twice at the State House during the 2001 interim session, on October 9, 2001, and on October 26, 2001.

On October 9, 2001, the Division of Mental Health and Addiction presented details of the budget passed in the 2001 legislative session and the subsequent impact of budgetary revisions made due to the economic downturn. The Commission reviewed the status of mental health legislation that was passed in the 2001 session including a bill that was later vetoed by the Governor. The Commission also heard testimony on the funding inadequacies for ongoing community placements of mentally ill individuals and the limitations of funding for Community Mental Health Centers. The Commission made no recommendations on these topics.

On October 26, 2001, the Committee heard testimony on the progress of administrative efforts within the Division of Family and Children to reduce the incidence of parents relinquishing custody of a child in order to receive needed mental health services. The Commission made no recommendation on this topic. The Commission also reviewed proposed legislation although no votes were taken due to the lack of a quorum at the meeting. Rep. Crosby asked that the minutes reflect if there was unanimous consent among the members of the Commission in attendance on the drafts presented.

Meeting minutes for the Commission can be accessed from the General Assembly Homepage at http://www.state.in.us/legislative/.

IV. SUMMARY OF TESTIMONY

Assertive Community Treatment, (ACT)

Assertive Community Treatment, (ACT) refers to an intensive service and staffing treatment model used to assist and support mentally ill individuals in community settings. Officials from the Division of Mental Health and Addiction identified that the lack of stable ongoing funding is the

main problem for maintaining ACT programs. The poor funding results in watered down programs. Testimony and discussion identified the need for ACT availability to improve the success of community placements for the mentally ill. This issue was addressed with regard to mentally ill inmates upon release from correctional institutions and other persons being deinstitutionalized.

Regional Center Concept

Testimony discussed the implications of the closure of Muscatatuck State Developmental Center on Madison State Hospital. Officials from the Division of Mental Health and Addiction identified that Madison State Hospital was scheduled to be downsized. The Regional Center Concept is being discussed in conjunction with these two actions by FSSA. There was discussion regarding the fact that the Regional Center Concept is the source of much confusion in the southeastern section of the State. There are questions about whether the Regional Center will be an actual patient care facility or if it is to be an organizational focal point directing the provision of services for community placements. Additional issues that were identified that need to be addressed are: 1) the need to systematically address the needs of dually diagnosed clients, 2) forensic patients, and 3) the sexual predator population.

Insurance Parity for Mental Health and Substance Abuse

The Commission discussed the success of achieving parity for mental illness although there was testimony to the effect that out-of-state insurance companies may not have to comply with the requirements. There was testimony regarding the passage of parity requirements for substance abuse and chemical dependency for state employees. The Commission members commented that while substance abuse parity statewide is the goal they support, it may not be achievable in the next session.

Access to Mental Health Services for Children

Testimony from officials with the Division of Family and Children and the Director of Special Education with regard to the progress of a working group on child custody relinquishment was heard. The workgroup reported that progress was being made to communicate and work with families to address unmet mental health needs of children within their own communities. Testimony discussed promoting, expanding, and blending existing funding streams to help these children receive appropriate services.

Hoosier Assurance Plan

Officials of the Division of Mental Health and Addiction reported that the main improvement in the Hoosier Assurance Plan in the last year was the full implementation of the Community Service Data System. The system has resulted in a faster enrollment process and more timely payments to providers. The Division also reported that the formula used to allocate funds to the geographical regions of the state is being reviewed. A new allocation formula is being discussed in conjunction with the actuarial study being conducted to determine new rates that will be effective July 1, 2002. An advisory committee is working with the Division to review the new rate structure proposal.

Issues identified that need to be addressed are the need for low-cost housing for mentally ill individuals, pay issues for clinical employees of Community Mental Health Centers, and the ongoing commitment the state makes when individuals are deinstitutionalized. The comment was made that state funding does not recognize administrative cost increases in expenses such as employee health insurance, utilities, or professional liability insurance. The funding has also

failed to increase on a per client basis for individuals that were placed in a community setting years ago, although funding for current placements is adequate on a per client basis.

V. COMMISSION FINDINGS AND RECOMMENDATIONS

The Commission made no findings of fact or recommendations.

As previously noted, the Commission lacked a quorum at both meetings and was unable to make official recommendations. The members requested that the minutes reflect the unanimous support among the members of the Commission present for the draft legislation presented.

PD 3372 received unanimous support by the members present. This draft extends the Commission on Mental Health for an additional two years.

PD 3485 received unanimous support from the Commission members present. This draft requires subtance abuse and chemical dependence treatment parity for insurance purposes only if the services are required for the treatment of mental illness. The draft does not require parity under the Children's Health Insurance Program (CHIP).

The Commission also unanimously supported draft language prohibiting restrictions on Medicaid coverage of mental health prescription drugs. Similar language was passed by both houses of the Legislature and subsequently vetoed by the Governor. The draft was the result of a compromise worked out by the Mental Health Association and the Office of Medicaid Policy and Planning. The Commission members supported the concept of recommending that the language be adopted as a statutory requirement.

Meeting minutes for the Commission can be accessed from the General Assembly Homepage at http://www.state.in.us/legislative/.

WITNESS LIST

George Brines, Past President Indiana Council of Alcohol and Drug Counselors

Amy Brown, Legislative Liaison Division of Family and Children Family and Social Services Administration

Janet Corson, Director Division of Mental Health and Addiction Family and Social Services Administration

Jim Jones, Executive Director Indiana Council of Community Mental Health Centers

Amelia Cook Lurvey Council of Volunteers and Organization of Hoosiers with Disabilities, (COVOH)

Bob Marra, Director of Special Education Indiana Department of Education

Steve McCaffrey, President Mental Health Association

Pat McGuffey Indiana Psychological Association

Joe Vanable National Alliance for the Mentally III

Dee Weeks, Board Member National Alliance for the Mentally III